



## Risk Assessment Matrix

This deliverable contains a record of the risks associated with a packaged software finalist. Create this deliverable after gathering vendor information and conducting vendor demonstrations and site visits. The Risk Assessment Matrix will be referenced when choosing a packaged software finalist. It ensures that uncertain factors related to the vendor and packaged software are considered in the finalist decision.

|   |      |                        |
|---|------|------------------------|
| <b>I. IPT Name:</b>                                 |      |                        |
| <b>II. Deliverable Name:</b> Risk Assessment Matrix |      | <b>Date Completed:</b> |
| <b>III. Contact Information</b>                     |      |                        |
|   | Name | Channel Unit           |
| IPT Sponsor   |      |                        |
| Channel Task Manager                                |      |                        |
| CIO Task Manager                                    |      |                        |
| Contractor Task Manager                             |      |                        |
| <b>IV. Task Order Number:</b>                       |      |                        |

## Description

The sample is a template that serves as a starting point for identifying risks associated with a vendor and packaged software. Additional types of risk must be incorporated so that the finalist's unique risks are identified.

**[1] Types of Risk** - Examples of risks that might be associated with a vendor or packaged software. Risks are identified as being vendor related or product related. Vendor risks are further grouped into organizational, customer base, vision, and financial risks. Product related risks are further grouped as product specific, architecture, and product quality. Other risks that are specific to the finalist should be incorporated in the matrix.

**[2] Severity** - The ranking assigned to each risk that is used to emphasize severity. Depending on what is most appropriate for a particular packaged software evaluation and selection, either numeric (e.g., 1 through 4) or non-numeric (e.g., low, medium, high) values may be used.

**[3] Means to Mitigate** - Explanation of how to lessen or compensate for the risk.



## Risk Assessment Matrix Sample

| <b>[1]<br/>TYPES OF RISK</b>  | <b>[2]<br/>SEVERITY</b> | <b>[3]<br/>MEANS TO MITIGATE</b> |
|---|-------------------------|----------------------------------|
| <b>VENDOR RELATED:</b>  |                         |                                  |
| <b>ORGANIZATIONAL:</b>  |                         |                                  |
| Poor vendor reputation, which affects long term viability of vendor | _____                   | _____                            |
| Brand new firm  | _____                   | _____                            |
| Insufficient support resources to serve customer                    | _____                   | _____                            |
| Insufficient R&D resources  | _____                   | _____                            |
| No international support offices                                    | _____                   | _____                            |
| Do not provide 24 hour support                                      | _____                   | _____                            |
| Too many management/ownership changes                               | _____                   | _____                            |
| Key designers no longer accessible                                  | _____                   | _____                            |
| Product line too narrow   | _____                   | _____                            |
| <b>CUSTOMER BASE:</b>   |                         |                                  |
| Too few installations overall                                       | _____                   | _____                            |
| Too few installations on platform                                   | _____                   | _____                            |
| Too few installations of current version                            | _____                   | _____                            |
| Too few installations in significant countries                      | _____                   | _____                            |
| No customers with revenue > \$x billion                             | _____                   | _____                            |
| Few customers within the same industry                              | _____                   | _____                            |
| No users group meeting  | _____                   | _____                            |
| <b>VISION:</b>  |                         |                                  |
| Long-term future product undefined                                  | _____                   | _____                            |
| Vendor not committed to industry standards                          | _____                   | _____                            |
| Not vendor's principle product                                      | _____                   | _____                            |
| <b>FINANCIALS:</b>  |                         |                                  |
| Limited growth  | _____                   | _____                            |
| Net loss  | _____                   | _____                            |
| Prior bankruptcy  | _____                   | _____                            |



**PRODUCT RELATED:**

**PRODUCT SPECIFIC:**

|  |       |       |
|--|-------|-------|
| Source code not supplied   | _____ | _____ |
| No multi-currency module   | _____ | _____ |
| Limited multi-language support                                   | _____ | _____ |
| Cross platform products not similar or<br>are differing versions | _____ | _____ |
| Requires purchase of other<br>applications                       | _____ | _____ |

**ARCHITECTURE:**

|   |       |       |
|---|-------|-------|
| Fit with recommended technical<br>platforms | _____ | _____ |
| Non-standard software needed                | _____ | _____ |

**PRODUCT QUALITY:**

|   |       |       |
|---|-------|-------|
| Has no established QA procedure for:                  |       |       |
| - New major releases                                  | _____ | _____ |
| - Minor enhancements                                  | _____ | _____ |
| Does not use a system development<br>methodology      | _____ | _____ |
| Does not use CASE or other tool                       | _____ | _____ |
| Product has not been through 3rd<br>party review for: |       |       |
| - Audit trails and controls                           | _____ | _____ |
| - Security  | _____ | _____ |
| - Performance   | _____ | _____ |